

COVENANT OF DEED RESTRICTION

RECORDING REQUESTED BY
CHICAGO TITLE COMPANY

Recording Requested By:

Chiron Corporation

When Recorded, Mail To:

Department of Toxic Substances Control
Northern California
700 Heinz Avenue, Suite 200
Berkeley, CA 94710
Attention: Barbara J. Cook, P.E., Chief
Coastal Cleanup Operations Branch

Recorded in Official Records, Alameda County
Patrick O'Connell, Clerk-Recorder

79.00

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COVENANT
TO RESTRICT USE OF PROPERTY

Chiron Corporation
Restricted Excavation Area
53rd and Hollis Streets
Emeryville, California

This Covenant to Restrict Use of Property ("Covenant") is made as of the 25th day of June, ~~1997~~ ¹⁹⁹⁸ by Chiron Corporation, a Delaware Corporation ("Covenantor"), which is the owner of record of certain real property situated in the City of Emeryville, County of Alameda, State of California, described in Exhibit "A" attached hereto and incorporated herein by this reference (the "Property"), and by the Department of Toxic Substances Control ("Department"). The Property includes the restricted area (the "Restricted Excavation Area") designated on Exhibit "B," attached hereto and incorporated herein by this reference. Covenantor and the Department desire and intend that in order to protect

the present and future public health and safety, the Restricted Excavation Area shall be used in such a manner as to avoid potential harm to persons or property which may result from hazardous substances which exist at depth in the Restricted Excavation Area.

ARTICLE I

STATEMENT OF FACTS

1.01 Description of Contamination. The Property included the Pacific Gas & Electric Company ("PG&E") Materials Distribution Facility ("former PG&E Parcel") located between Stanford Avenue and 45th Street in Emeryville, California. PG&E used the former PG&E Parcel from the 1920's to the early 1980's as a yard for transformers, capacitors, oil circuit breakers, and other electrical equipment being maintained and repaired at its warehouse facilities at Hollis and 45th streets.

1.02 Previous Remedial Activities. Soil and groundwater investigations on the former PG&E Parcel were conducted by PG&E between 1983 and 1990, the City of Emeryville in 1991, and Covenantor in 1993 and 1994. The investigations conducted by PG&E revealed the presence of elevated concentrations of polychlorinated biphenyls (PCBs) along the western boundary at the northern and southern-central portions of the former PG&E Parcel. In the late 1980's PG&E excavated these areas to remove PCB-affected soil that exceeded the Department-approved clean-up level of 25 milligrams per kilogram (mg/kg) on the former PG&E Parcel. Upon completion of the excavation project by PG&E, the Department issued a Remedial Action Certification Form dated June 22, 1989, indicating that no further action was required. Sampling conducted by the

City of Emeryville in 1991 and Covenantor in 1993 did not detect PCBs above the clean-up level of 25 mg/kg. However, samples collected by Covenantor during the construction of a temporary parking lot in November 1994 detected PCBs as high as 5,400 mg/kg along the western boundary of the former PG&E Parcel. In April and May 1996, Covenantor conducted a soil sampling investigation to identify the lateral and vertical extent of soil with PCB concentrations above the Department-approved clean-up level of 1mg/kg along the western boundary of the former PG&E Parcel. In August 1996, Covenantor conducted a removal action in this area. This removal action consisted of excavation and off-site disposal of soil above an elevation of 7 feet above mean sea level ("ft msl"), which contained PCB concentrations greater than 1mg/kg. An elevation of 7 ft msl corresponds to approximately 9 to 11 feet below the current ground surface in this area.

Soil with PCB concentrations above the Department-approved clean-up level (1 mg/kg) was left in place at depth (i.e., at or below 7 ft msl) in a limited area (herein referred to as the "Restricted Excavation Area"). The Restricted Excavation Area is described in Exhibit B. PCB concentrations remaining in the Restricted excavation area are described in Exhibit C.

In August 1996, backfill material was placed in the Restricted Excavation Area. In October 1996, the Restricted Excavation Area was covered with asphalt, concrete, and landscape material, bringing the current grade in the Restricted Excavation Area to

approximately 16 to 18 ft msl in this area. As of the date of recordation of this Covenant, the Department has overseen the remediation of the Property to cleanup levels determined by the Department in accordance with applicable federal and state law requirements.

1.03 Health Effects. PCB-impacted soils remain at depth (below 7 ft msl) in the Restricted Excavation Area. In the event that excavation of soils is conducted below 7 ft msl in the Restricted Excavation Area, the potential exposure pathways to PCB-impacted soils are inhalation of contaminants through dust, ingestion of contaminants in soil, or dermal absorption of contaminants through soil. Should the potential routes of exposure to PCBs not be minimized or eliminated, the potential human health effects resulting from exposure to PCBs are as follows:

PCBs are moderately toxic if absorbed through ingestion or skin contact. Adverse effects from exposures to PCBs include chloracne, impairment of liver function, a variety of neurobehavioral and affective symptoms, and minor birth abnormalities. PCBs were listed as a known carcinogen under Proposition 65 in January 1989.

1.04 Surrounding Land Use. The Property's current General Plan land use designation is for Industrial and Mixed Use and the Property is zoned for Planned Unit Development-Industrial. The Property is bounded by facilities leased by Covenantor to the west and northwest, Hollis Street and a variety of industrial uses to the northeast and east, and 53rd Street to the south. The Property is located within an area proposed by

Covenantor as an expanded campus for Covenantor that will include additional research, development, manufacturing, administrative, and support facilities. Covenantor's existing campus will be expanded from about 15 acres to about 25 acres over the next 16 to 30 years. The area surrounding the Property has been developed primarily as industrial and large-scale commercial complexes. The nearest residential area is located approximately 400 feet east of the Property. Emery High School is located approximately 1,500 feet southeast of the Property.

ARTICLE II

GENERAL PROVISIONS

2.01 Provisions to Run with the Land. This Covenant sets forth protective provisions, covenants, restrictions, and conditions (collectively referred to as the "Restrictions"), subject to which the Restricted Excavation Area and every portion thereof shall be improved, held, used, occupied, leased, sold, hypothecated, encumbered, and/or conveyed. Each and all of the Restrictions shall run with the land, and pass with each and every portion of the Restricted Excavation Area; and shall apply to, inure to the benefit of, and bind the Owners (as hereinafter defined) and Occupants (as hereinafter defined). Each and all of the Restrictions are imposed pursuant to Health and Safety Code Sections 25355.5 and 25356.1 and run with the land pursuant to Health and Safety Code Section 25355.5. Each and all of the Restrictions are for the benefit of and enforceable by the Department.

2.02 Concurrence of Owners Presumed. All purchasers, lessees, Occupants (as hereinafter defined) or possessors of any portion of the Restricted Excavation Area shall be deemed by their purchase, leasing, occupation or possession of their applicable portion of the Restricted Excavation Area to agree for and among themselves, their heirs, successors, assignees, agents, sublessees, and the agents and lessees of such owners, heirs, successors, and assignees, that the Restrictions as herein established must be adhered to for the benefit of future Owners and Occupants and that their respective interests in the Restricted Excavation Area shall be subject to the Restrictions contained herein.

2.03 Incorporation into Deeds and Leases. Covenantor desires and covenants that the Restrictions set out herein shall be incorporated by reference in each and all future deeds and leases of any portion of the Restricted Excavation Area.

ARTICLE III

DEFINITIONS

3.01 Department. "Department" shall mean the California Department of Toxic Substances Control and shall include its successor agencies, if any.

3.02 Improvements. "Improvements" shall mean all buildings, roads, driveways, regrading, utilities, and paved parking areas, constructed or placed upon any portion of the Restricted Excavation Area, but shall not include any interior building improvements.

3.03 Occupant(s). "Occupant(s)" shall mean those persons who have the right by ownership, leasehold, or other legal relationship to occupy any portion of the Restricted Excavation Area. "Occupant(s)" shall not include a person that is a lender as defined in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. 9601 et seq., as it presently exists or as it may be amended from time to time.

3.04 Owner(s). "Owner(s)" shall mean Covenantor or its successors in interest, including Covenantor's heirs and assigns, who hold title to all or any portion of the Restricted Excavation Area.

ARTICLE IV

DEVELOPMENT, USE, AND CONVEYANCE OF THE PROPERTY

4.01 Restrictions on Development and Use. Covenantor promises to restrict the use of the Restricted Excavation Area as follows:

- a. The Restricted Excavation Area shall not be used for human habitation, a hospital, a school for persons under the age of 21 years, or a care facility for citizens over the age of 60 years.
- b. No drilling for drinking water, oil, or gas shall be permitted on the Restricted Excavation Area. No Owner or Occupant of the Restricted Excavation Area or any portion thereof shall extract, utilize, consume or

permit to be extracted, utilized or consumed any water from below the surface of the ground of its portion of the Restricted Excavation Area without prior written approval of the Department.

- c. Notwithstanding the occupancy and use of Improvements overlying the Restricted Excavation Area, including the handling and use of hazardous materials, the Owner or Occupant shall not conduct any activities within the Restricted Excavation Area which would cause a potential threat to public health and safety.
- d. No Owner or Occupant of the Restricted Excavation Area or any portion thereof shall permit or allow soils to be excavated or regraded below an elevation of 7 ft msl on its portion of the Restricted Excavation Area without prior approval from the Department. The placement of driven pre-cast concrete or steel piles into the Restricted Excavation Area in connection with construction of Improvements shall be allowed by the Department provided that this activity does not generate any spoils or otherwise expose construction workers to soil below 7 feet msl in the Restricted Excavation Area.
- e. The Owner(s) grants the Department access to the Restricted Excavation Area for inspection, surveillance, monitoring, maintenance, and other

activities consistent with the purposes of this Covenant as deemed necessary by the Department in order to protect the public health and safety.

4.02 Conveyance of Restricted Excavation Area. An Owner shall provide a notice to the Department no later than thirty (30) days after closing of any sale, lease or other conveyance by the Owner of its portion of the Restricted Excavation Area or its interest in the Restricted Excavation Area to a third person. The Department shall not, by reason of this Covenant, have authority to approve, disapprove, or otherwise affect any sale, lease, or other conveyance of the Restricted Excavation Area except as otherwise provided by law, or by administrative order.

4.03 Enforcement. Failure of an Owner or Occupant to comply with any of the Restrictions, set forth in Section 4.01 shall be grounds for the Department, by reason of this Covenant, to require that the then Owner or Occupant that failed to comply with the Restrictions comply with this Covenant. Violation of this Covenant by an Owner or Occupant shall be grounds for the Department to file civil and criminal actions as provided by law against the Owner or Occupant.

4.04 Notice in Agreements. Each Owners and Occupants shall execute a written instrument which shall accompany all purchase, lease, sublease, or rental agreements relating to its portion of the Restricted Excavation Area entered into by the Owner or

Occupant. The instrument shall contain the following statement:

"The land described herein contains hazardous substances within a portion of the property known as the Restricted Excavation Area. Such condition renders the land and the owner, lessee, or other possessor of the land subject to requirements, restrictions, provisions, and liabilities contained in Chapter 6.5 and Chapter 6.8 of Division 20 of the California Health and Safety Code as made applicable to this Property by a specific Covenant of Deed Restriction, a copy of which is attached hereto and incorporated herein by reference. This statement is not a declaration that a hazard exists and does not address the liability of any party."

ARTICLE V

VARIANCE AND TERMINATION

5.01 Variance. Any Owner or, with the written consent of the Owner of the portion of the Restricted Excavation Area occupied by an Occupant, any Occupant of the Restricted Excavation Area of the Property or any portion thereof may apply to the Department for a written variance from the provisions of this Covenant. Such application shall be made in accordance with California Health & Safety Code Section 25233 or successor statutes.

5.02 Termination. Any Owner or, with the written consent of the Owner of the portion of the Restricted Excavation Area occupied by an Occupant, any Occupant of the

Restricted Excavation Area or a portion thereof may apply to the Department for a termination of all or any portion of the Restrictions as they apply to all or any portion of the Restricted Excavation Area as to which the party is an Owner or Occupant. Such application shall be made in accordance with California Health & Safety Code Section 25234 or successor statutes.

5.03 Term. Unless modified or terminated in accordance with Sections 5.01 or 5.02 above, by law or otherwise, this Covenant shall continue in effect in perpetuity.

ARTICLE VI

MISCELLANEOUS

6.01 No Dedication Intended. Nothing set forth herein shall be construed to be a gift or dedication, or offer of a gift or dedication, of the Restricted Excavation Area or any portion thereof to the general public or for any purposes whatsoever.

6.02 Notices. Whenever any person gives or serves any notice, demand, or other communication with respect to this Covenant, each such notice, demand, or other communication shall be in writing and shall be deemed effective 1) when delivered, if personally delivered to the person being served or to an officer of a corporate party being served or official of a government agency being served, or 2) three (3) business days after deposit in the mail if mailed by United States mail, postage paid certified, return receipt requested:

To: "Covenantor"

Chiron Corporation
4560 Horton Street
Emeryville, California 94608-2916
Attention: General Counsel

:"Department"

Department of Toxic Substances Control
Northern California
700 Heinz Avenue, Suite 200
Berkeley, California 94710
Attention: Barbara J. Cook, P.E., Chief
Coastal Cleanup Operations Branch

6.03 Partial Invalidity. If any portion of the Restrictions or terms set forth herein is determined to be invalid for any reason, the remaining portion shall remain in full force and effect as if such portion had not been included herein.

6.04 Article Headings. Headings at the beginning of each numbered article of this Covenant are solely for the convenience of the parties and are not a part of this Covenant.

6.05 Recordation. This instrument shall be executed by Covenantor and by the Northern California Coastal Cleanup Operations Branch Chief, California Department of Toxic Substances Control. This instrument shall be recorded by Covenantor in the County of Alameda within ten (10) days after the date of execution.

IN WITNESS WHEREOF, the parties execute this Covenant as of the date set forth
above.

CHIRON CORPORATION, a Delaware corporation ✓

By: ED BAILEY

Title: DIRECTOR

Date: JUNE 25, 1998

DEPARTMENT OF TOXIC SUBSTANCES CONTROL ✓

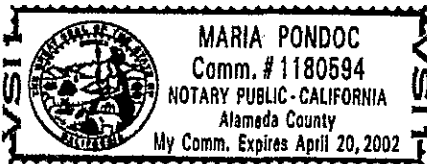
By: Barbara J Cook
Barbara J. Cook, Chief
Northern California
Coastal Cleanup Operations Branch

Date: July 16, 1998

STATE OF CALIFORNIA)
)
COUNTY OF Alameda)

On ¹⁹⁹⁸ 25 June, 1997 before me, a Notary Public in and for State of California,
personally appeared Ed Bailey, personally known to me or ~~proved to me on the~~
~~basis of satisfactory evidence~~ to be the person whose name is subscribed to the within
instrument and acknowledged to me that he/~~she~~ executed the same in his/~~her~~ authorized
capacity, and that by his/~~her~~ signature on the instrument the person, or the entity upon
behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.



Maria Pondoc
Notary's Signature

STATE OF CALIFORNIA)

COUNTY OF Alameda)

On 16th Jul, 1997⁸ before me, a Notary Public in and for State of California,
personally appeared Barbara J. Cook, ~~personally known to me or~~ proved to me on the
basis of satisfactory evidence to be the person whose name is subscribed to the within
instrument and acknowledged to me that she executed the same in her authorized
capacity, and that by her signature on the instrument, the Department of Toxic Substances
Control executed the instrument.

WITNESS my hand and official seal.



Notary's Signature

A handwritten signature in cursive script that reads "Maria Pondoc". The signature is written over a horizontal line.

PARCEL MAP NO. 7032

CHIRON LIFE SCIENCES CENTER PHASE 1

BEING A RESUBDIVISION OF PARCEL 1 AS DESCRIBED IN THAT CERTAIN DEED FILED IN SERIES 94-227628, ALAMEDA COUNTY RECORDS AND PARCEL 2 AS SHOWN UPON THAT CERTAIN PARCEL MAP FILED IN BOOK 187 OF PARCEL MAPS, AT PAGES 97-98, ALAMEDA COUNTY RECORDS.

IN THE CITY OF EMERYVILLE
COUNTY OF ALAMEDA STATE OF CALIFORNIA
AUGUST, 1996

KCA ENGINEERS, INC.
310 BRANNAN STREET
SAN FRANCISCO, CA 94107

OWNER'S STATEMENT:

THE UNDERSIGNED, BEING THE OWNER HAVING RECORD TITLE INTEREST IN THE LAND DESCRIBED AND EMBRACED WITHIN THE HEAVY BLACK LINES UPON THIS MAP, DOES HEREBY CONSENT TO THE PREPARATION AND RECORDATION OF THE SAME. THIS MAP SHOWS ALL EASEMENTS ON THE PREMISES OF RECORD, FOLLOWING EASEMENTS: (1) AN EASEMENT FOR PUBLIC UTILITIES OVER, ALONG AND THROUGH THAT CERTAIN STRIP OF LAND DESIGNATED AS "24" WIDE PUBLIC UTILITY EASEMENT", (2) AN EASEMENT FOR PUBLIC ACCESS OVER, ALONG AND THROUGH THAT CERTAIN STRIP OF LAND DESIGNATED AS "PUBLIC STREET", AND (3) AN EASEMENT FOR PUBLIC STREET LIGHTS OVER, ALONG AND THROUGH THAT CERTAIN STRIP OF LAND DESIGNATED AS "6" WIDE PUBLIC STREET LIGHT EASEMENT".

CHIRON CORPORATION, A DELAWARE CORPORATION

BY: A. D.

TITLE: SECRETARY VICE PRESIDENT

OWNER'S ACKNOWLEDGEMENT:

STATE OF CALIFORNIA
COUNTY OF Alameda
ON August 30th 1996 BEFORE ME Winsome A. Sinclair
PERSONALLY APPEARED Diana A. Winger

PERSONALLY KNOWING ME (OR HAVING BEEN DULY INFORMED BY ME) THAT THE PERSON(S) WHOSE NAME(S) IS/ARE SUBSCRIBED TO THE WITHIN INSTRUMENT IS/ARE CAPABLE/ARE THAT BY HIS/HER/THEIR SIGNATURE(S) ON THE INSTRUMENT THE PERSON(S), OR THE ENTITY UPON BEHALF OF WHICH THE PERSON(S) ACTED, EXECUTED THE INSTRUMENT.

WITNESS MY HAND AND OFFICIAL SEAL

MY PRINCIPAL PLACE OF BUSINESS IS IN ALAMEDA COUNTY, CALIFORNIA
BY COMMISSION EXPIRES December 23, 1999

Winsome A. Sinclair 8/30/96
PRINT NAME DATE

LESSEE'S STATEMENT:

THE UNDERSIGNED, HAVING A LEASEHOLD INTEREST IN A PORTION OF THE LAND DESCRIBED AND EMBRACED WITHIN THE HEAVY BLACK LINES UPON THIS MAP, DOES HEREBY CONSENT TO THE PREPARATION AND RECORDATION OF THE SAME. THIS MAP SHOWS ALL EASEMENTS ON THE PREMISES OF RECORD, AND THE UNDERSIGNED HEREBY CONSENTS TO THE EASEMENTS DEDICATED PURSUANT TO THIS PARCEL MAP

QUIP LEASING CORPORATION, A DELAWARE CORPORATION

BY: Richard Cap
TITLE: Vice President

LESSEE'S ACKNOWLEDGEMENT:

STATE OF Texas
COUNTY OF Dallas
ON September 4 1996 BEFORE ME Lynnda H. Peters
PERSONALLY APPEARED Lloyd G. Cap

PERSONALLY KNOWING TO ME (OR HAVING BEEN DULY INFORMED BY ME) THAT THE PERSON(S) WHOSE NAME(S) IS/ARE SUBSCRIBED TO THE WITHIN INSTRUMENT IS/ARE CAPABLE/ARE THAT BY HIS/HER/THEIR SIGNATURE(S) ON THE INSTRUMENT THE PERSON(S), OR THE ENTITY UPON BEHALF OF WHICH THE PERSON(S) ACTED, EXECUTED THE INSTRUMENT.

WITNESS MY HAND AND OFFICIAL SEAL

MY PRINCIPAL PLACE OF BUSINESS IS IN Dallas COUNTY, TEXAS
BY COMMISSION EXPIRES August 30, 1998
Lynnda H. Peters 9/4/96
PRINT NAME DATE

ENGINEER'S STATEMENT:

THIS MAP WAS PREPARED BY ME OR UNDER MY DIRECTION AND IS COMPILED FROM RECORD DATA IN CONFORMANCE WITH THE REQUIREMENTS OF THE SUBDIVISION MAP ACT AND LOCAL ORDINANCE AT THE REQUEST OF STEVEN R. JARROLD ON APRIL 16, 1996.

I HEREBY STATE THAT THIS PARCEL MAP SUBSTANTIALLY CONFORMS TO THE APPROVED OR CONDITIONALLY APPROVED TENTATIVE MAP OF DATE Aug 23, 1996

Patricia J. O'Connell
DATE Aug 23, 1996
BY Patricia J. O'Connell
REGISTERED PROFESSIONAL ENGINEER - CIVIL
EXPIRES 3/31/97

CITY ENGINEER'S STATEMENT:

I, HANK VAN DYKE, ENGINEER TO THE CITY OF EMERYVILLE, HEREBY STATE THAT I HAVE EXAMINED THE HERETOIN FOREGOING PARCEL MAP ENTITLED "PARCEL MAP NO. 7032, CHIRON LIFE SCIENCES CENTER PHASE 1 IN THE CITY OF EMERYVILLE, ALAMEDA COUNTY, CALIFORNIA", AND THIS SAID MAP IS SUBSTANTIALLY AS IT APPEARED ON THE TENTATIVE MAP, AND THAT ALL PROVISIONS OF THE STATE LAWS AND LOCAL ORDINANCES CONCERNING THE PLANNING OF PARCEL MAPS HAVE BEEN COMPLIED WITH, AND I AM SATISFIED THAT THE SAME IS TECHNICALLY CORRECT.

September 11, 1996
DATE
Hank Van Dyke
HANK VAN DYKE, P.E.
REGISTERED PROFESSIONAL ENGINEER - CIVIL
EXPIRES 12/31/98

RECORDER'S STATEMENT:

FILED THIS 18th DAY OF September 1996, AT 12:32 PM, BOOK 187 OF PARCEL MAPS AT PAGES 97-98, AT THE REQUEST OF CHIRON CORPORATION AND CHICAGO TITLE COMPANY OF ALAMEDA COUNTY.

PATRICK O'CONNELL
COUNTY RECORDER
BY: Patricia J. O'Connell
DEPUTY RECORDER
SERIES NUMBER: 96-236373
FEE: 1.17.00



EXHIBIT A

PARCEL MAP NO. 7032

CHIRON LIFE SCIENCES CENTER PHASE 1

BEING A RESUBDIVISION OF PARCEL 1 AS DESCRIBED IN THAT CERTAIN DEED FILED IN SERIES 94-227628, ALAMEDA COUNTY RECORDS AND PARCEL 2 AS SHOWN ON THAT CERTAIN PARCEL MAP FILED IN BOOK 187 OF PARCEL MAPS, AT PAGES 97-98, ALAMEDA COUNTY RECORDS.

IN THE CITY OF EMERYVILLE
COUNTY OF ALAMEDA
STATE OF CALIFORNIA

AUGUST, 1996

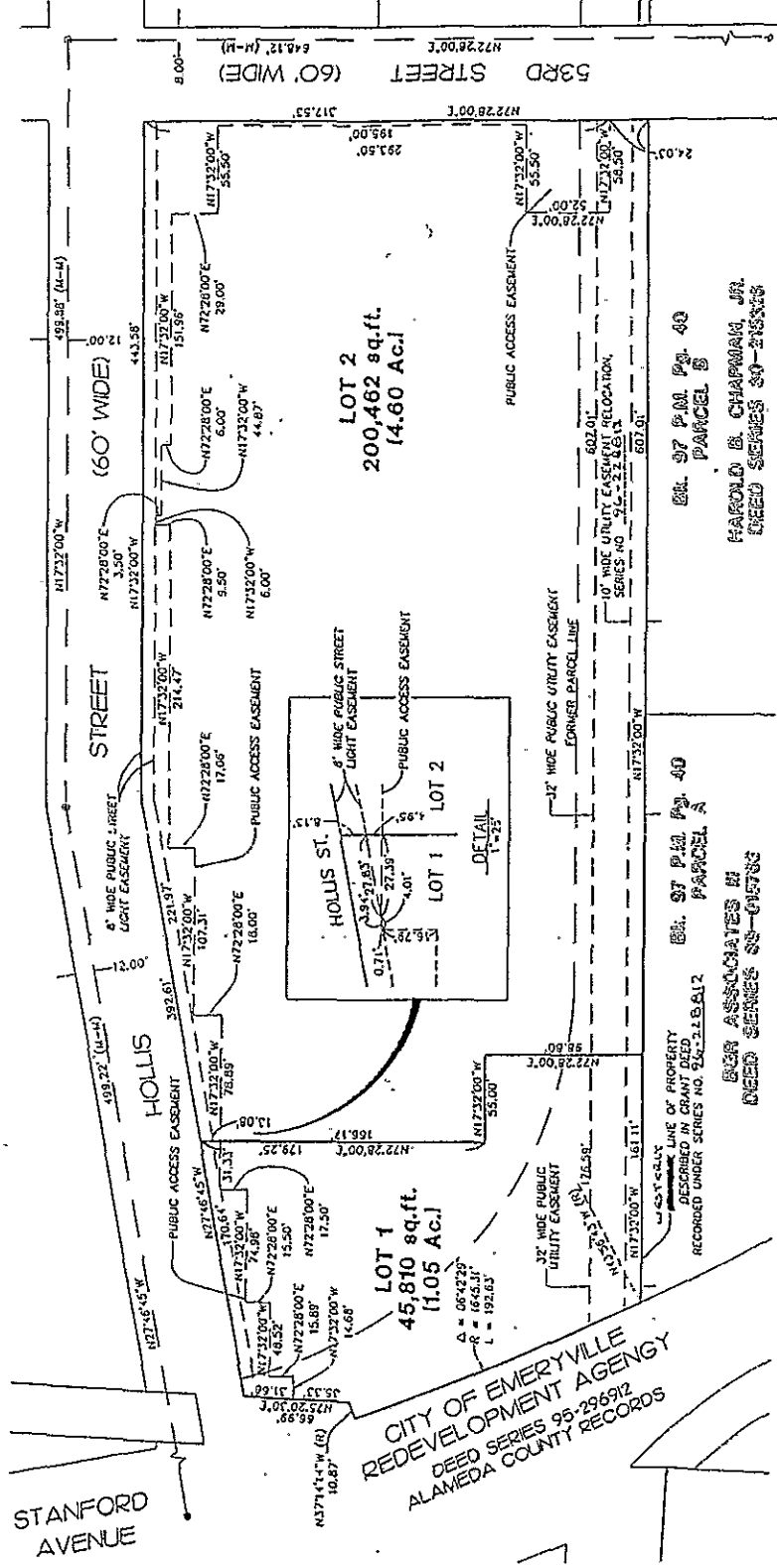
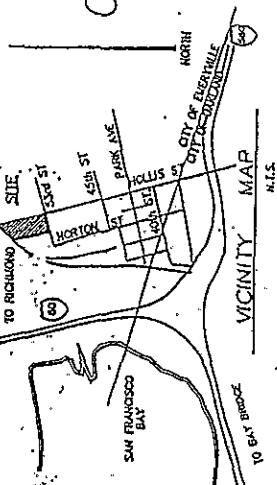
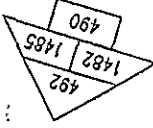
KCA ENGINEERS, INC.
315 BRANNAN STREET
SAN FRANCISCO, CA 94107

LEGEND:

- FOUND STANDARD CITY MONUMENT
- (M-M) MONUMENT TO MONUMENT DIMENSION

BASE OF BEARINGS:

THE BEARING OF N72°28'00"E BETWEEN FOUND CITY MONUMENTS ON 53RD STREET IS THE BASIS OF BEARINGS FOR THIS MAP.



BL. 97 PM. 93. 40
PARCEL 8
HAROLD B. CHAPMAN, JR.
DEED SERIES 90-28516

BL. 97 PM. 93. 40
PARCEL 8
FOR ASSOCIATES IN
DEED SERIES 90-07576

CITY OF EMERYVILLE
REDEVELOPMENT AGENCY
DEED SERIES 95-29692
ALAMEDA COUNTY RECORDS

EXHIBIT B

DESCRIPTION OF RESTRICTED EXCAVATION AREA

Covenant To Restrict Use of Property
Chiron Corporation
Emeryville, California

The Restricted Excavation Area encompasses PCB-impacted soil (i.e., soil containing PCBs above the DTSC-approved cleanup level of 1 mg/kg) remaining *at depth* on the Property. The approximate location of the Restricted Excavation Area is depicted on Figure 1. Based on the results of soil samples collected by EKI in April and August 1996, PCB-impacted soil remains in the Restricted Excavation Area at or below an elevation of 7 ft msl (EKI, 1996a; EKI, 1996b).

The Restricted Excavation Area is defined by surveyed soil sampling locations R-3, R-6, R-17, R-32, R-8, R-9, and R-13 (see Figure 2). The 1927 California Grid System Coordinates for these surveyed soil sampling locations are as follows:

Soil Sampling Location	Northing	Easting
R-3	491759.74	1483694.75
R-6	491744.35	1483685.94
R-17	491736.90	1483671.20
R-32	491747.74	1483656.34
R-8	491761.03	1483669.61
R-9	491777.45	1483664.85
R-13	491807.37	1483667.98

PCB concentrations remaining in soil within the Restricted Excavation Area are summarized in Exhibit C.

EXHIBIT B
DESCRIPTION OF RESTRICTED EXCAVATION AREA

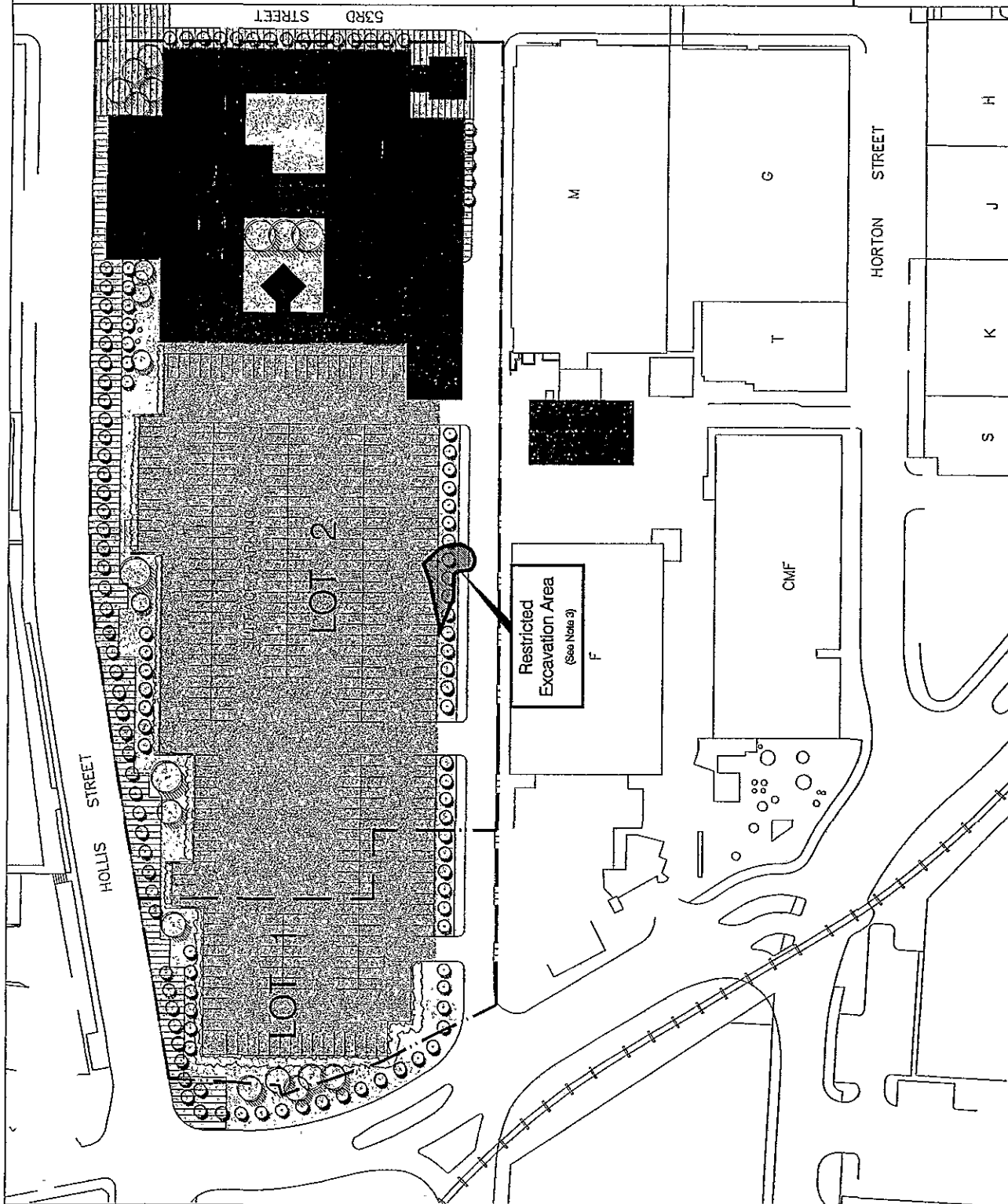
Covenant To Restrict Use of Property
Chiron Corporation
Emeryville, California

REFERENCES:

ALO, 1995: Aliquot Planners/Civil Engineers/Surveyors, November 1995, *Alta/ACSM Land Title Survey*.

EKI, 1996a: Erler & Kalinowski, Inc., 3 June 1997, *Results of the Ramp Area Investigation on the Former PG&E/City of Emeryville Property*.

EKI, 1996b: Erler & Kalinowski, Inc., 11 October 1996, *Removal Action Implementation Report for the Ramp Area on the Former PG&E/City of Emeryville Redevelopment Agency Property*, Chiron Corporation, Emeryville, California.



Erler & Kalinowski, Inc.

EXHIBIT C

**PCB CONCENTRATIONS REMAINING IN SOIL
WITHIN THE RESTRICTED EXCAVATION AREA**

Covenant To Restrict Use of Property
Chiron Corporation
Emeryville, California

The Restricted Excavation Area is depicted on Figure 1. Results of soil samples collected by Erler & Kalinowski, Inc. in April and August 1996 indicate that PCB-impacted soil remains within the Restricted Excavation Area (i.e., in the vicinity of soil sampling locations B-G-1, B-J-1, R-7, R-10, and R-31) at and below an elevation of 7 ft msl (EKI, 1996a; EKI 1996b). PCB concentrations detected in soil samples collected at and below 7 ft msl within the Restricted Excavation Area are summarized below.

Lateral Soil Sampling/Boring Location	Sample Elevation (ft msl)	Detected PCB Concentration (1) (mg/kg)
B-G-1	7	56
B-J-1	7	86
R-7	6.1 -1.9	14 - 20 (2) 53
R-10	3.1	0.052 (3)
R-31	3.4 -5.1	1.1 <0.02

Notes:

- (1) Samples analyzed in a State-certified analytical laboratory using EPA Method 8080, unless indicated otherwise.
- (2) Sample analyzed in the field for PCBs using DTECH Field Assay Kit for Soil.
- (3) PCBs were detected at a concentration of 38 mg/kg in a soil sample collected from approximately 8.1 ft msl at location R-10. Soil from this area was excavated to 7 ft msl. PCBs may be present above 1 mg/kg in native soil between 3.1 ft msl and 7 ft msl at this location.

BASIS FOR DEFINING THE RESTRICTED EXCAVATION AREA

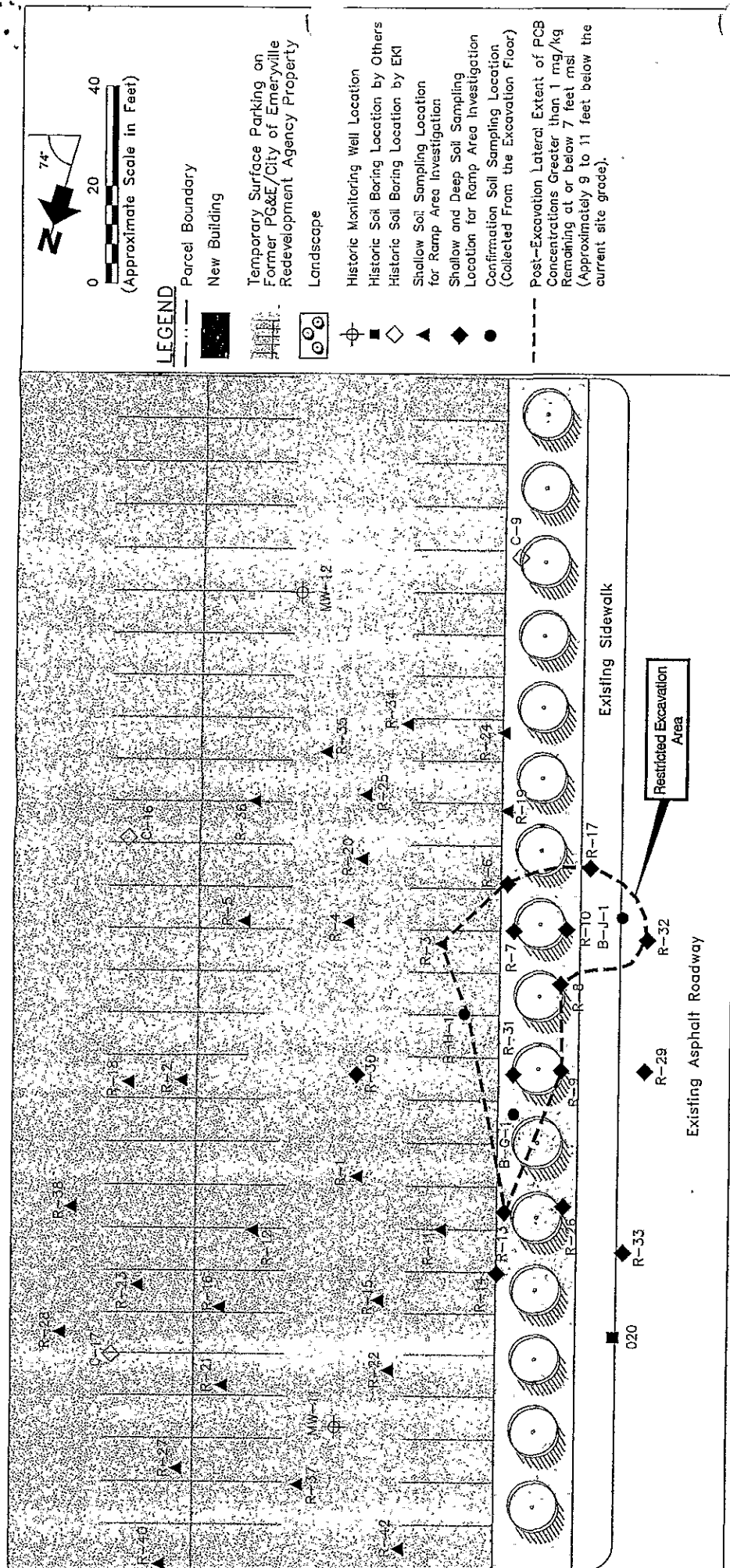
Covenant To Restrict Use of Property
Chiron Corporation
Emeryville, California

A description of the Restricted Excavation Area, which includes a description of the effected parcels and a description of 1927 California Grid System Coordinates, which define the corners of the Restricted Excavation Area, are included in Exhibit B.

REFERENCES:

EKL 1996a: Erler & Kalinowski, Inc., 3 June 1997, *Results of the Ramp Area Investigation on the Former PG&E/City of Emeryville Property.*

EKL 1996b: Erler & Kalinowski, Inc., 11 October 1996, *Removal Action Implementation Report for the Ramp Area on the Former PG&E/City of Emeryville Redevelopment Agency Property*, Chiron Corporation, Emeryville, California.



Notes

1. All locations are approximate.

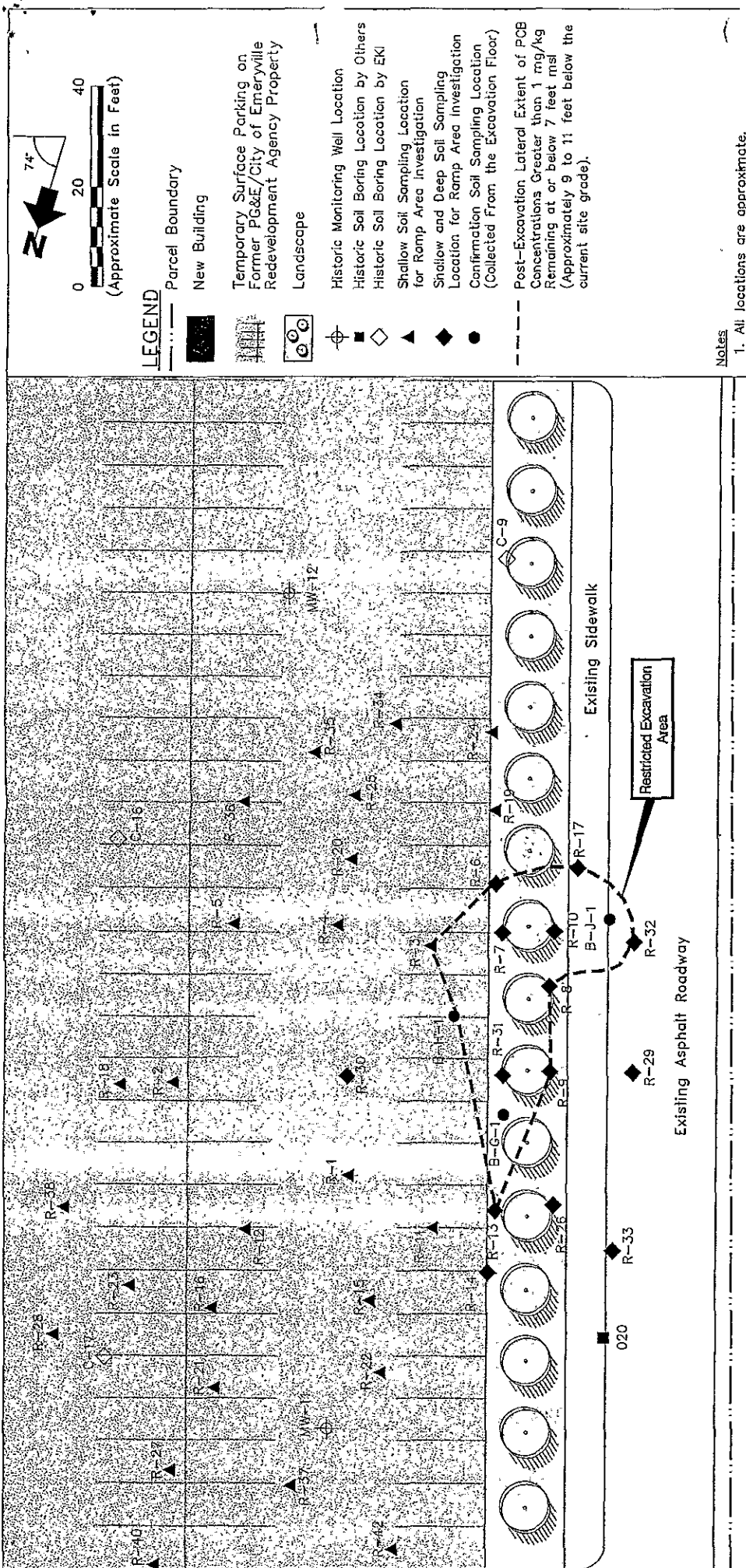
Erler & Kalinowski, Inc.

Lateral Extent of Restricted Excavation Area

Chiron Corporation
Emeryville, CA
January 1998
EKI 970001.20

Figure 1

Building F



Erler & Kalinowski, Inc.

Lateral Extent of Restricted Excavation Area

Chiron Corporation
Emeryville, CA
January 1998
EKI 970001.20
Figure 2

Building F